



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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Michael O. Leavitt
Governor

Robert L. Morgan
Executive Director

Lowell P. Braxton
Division Director

December 2, 2002

CERTIFIED RETURN RECEIPT
7099 3400 0016 4685

Ernie Ray Hale
Sierra Stone, Incorporated
475 East Elm
Oakley, Idaho 83346

Re: Notice of Abatement of Notice of Non-Compliance, and Change of Status to Small Mining Operations, Sierra Stone, Inc.. Sierra Starlight Quarry, M/003/049, Box Elder County, Utah

Dear Mr. Hale:

On October 9 and 17, 2002, Mr. Lynn Kunzler of the Division inspected the Sierra Starlight Quarry. The purpose of the inspections was to witness reclamation of areas at the quarry to reduce the disturbed area footprint to five acres or less. This reclamation work was required to abate the Notice of Non-Compliance issued on July 3, 2002.

Results of the inspection (inspection memo enclosed) found that sufficient reclamation has been completed to reduce the disturbed area to five acres. This completes the revised mitigation required to abate the Notice of Non-Compliance. We have changed the status of your site from a Large Mining Operation back to a Small Mining Operation. You may now continue with your small mining operations plan at the Sierra Starlight quarry, which was originally accepted in September, 1998.

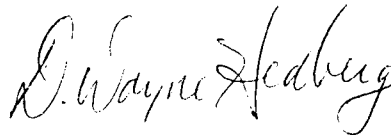
By way of this letter, the Division has enclosed and returns your Large Mining Notice for the Sierra Starlight Quarry, which was received March 8, 2002. You will need to revise portions of this Notice as per the Division's July 15, 2002 review comments, before you resubmit this Notice. You will also need to include the appropriate permit fee for a large mining operation when you re-submit your Large Mining Notice. ***Please note, you may not expand the disturbed area at the Sierra Starlight Quarry beyond five acres until a Notice to Commence Large***

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Ernie Ray Hale
M/003/049
December 2, 2002

Mining Operations is approved and an acceptable form and amount of reclamation surety is posted with the Division.

If you have any questions regarding this letter, please contact me at (801) 538-5286, or Lynn Kunzler at 538-5310. Again, thank you for your efforts to bring your operation into compliance with the requirements of the Mined Land Reclamation Act.

Sincerely,

A handwritten signature in cursive script, reading "D. Wayne Hedberg".

D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program

jb
Enclosure: October 17, 2002 inspection memo
Original Large Mine Notice
O:\M003-Box Elder\M0030049SierraStone\final\SMOacceptance.doc

m/003/049
Returned to
operator 12/2/2002
mine reclaimed back
down to SMO status

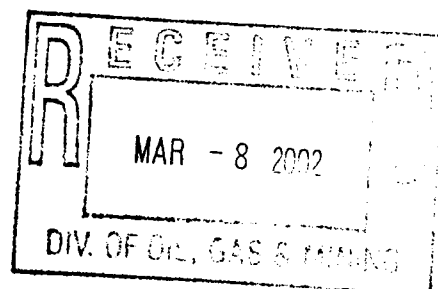
**NOTICE OF INTENTION TO
COMMENCE LARGE MINING
OPERATIONS**

FOR

**SIERRA STARLIGHT
QUARRY**

OPERATED BY

SIERRA STONE, INC.



David J. Ryzak
617 E. 18th Way
Burley, Idaho 83318

March 4, 2002

Mr. D. Wayne Hedberg
Permit Supervisor
Division of Oil, Gas, and Mining
P. O Box 145801
Salt Lake City, Utah 84114-5801

Dear Wayne:

Enclosed is a Notice of Intention to Commence Large Mining Operations for the Sierra Starlight Quarry operated by Sierra Stone, Incorporated. The operation is located in Box Elder County, Utah. The quarry has been operated over the past few years as a Small Mining Operations under DOGM file number: S/003/049.

I have assisted the operator, Ernie Ray Hale, in developing a Notice of Intention to Commence Large Mining Operations for the Sierra Starlight Quarry.

Sincerely,

David J. Ryzak

David J. Ryzak

cc: Ernie Ray Hale

m/003/049
Additional \$250.00
permit fee paid.
M.O. # 267959022

Returned to
operator 10/2/2002
mine submitted back
down to SMC Station.